



DONALD L. WOLFE, Director

COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

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June 1, 2006

IN REPLY PLEASE

REFER TO FILE: PD-5

71937

Amendment 7

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**HAHN'S TROLLEY AND SHUTTLE SERVICE
PROPOSITION A LOCAL RETURN TRANSIT PROGRAM
SUPERVISORIAL DISTRICT 2
3 VOTES**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find that the Hahn's Trolley and Shuttle Service can continue to be more economically performed by an independent contractor than by County employees.
2. Approve the enclosed Amendment No. 7 to Contract No. 71937 with the Watts Labor Community Action Committee for the Hahn's Trolley and Shuttle Service for operation and management of transit services on a month-to-month basis, not to exceed 11 months beginning July 1, 2006, while Public Works completes the solicitation process for a new operator.
3. Authorize Public Works to expend a monthly amount of up to \$77,000 for this Service. The necessary funds are available in the Second Supervisorial District's Proposition A Local Return Transit Program, included in the proposed Fiscal Year 2006-07 Transit Enterprise Fund Budget.

4. Delegate authority to the Director of Public Works, or his designee, to expend up to an additional 30 percent of the contract sum for bus rental fees when County-owned vehicles are out of service for extended periods of time and for unforeseen additional work within the scope of the Contract, if required.
5. Instruct the Mayor of the Board of Supervisors to execute the Amendment.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

On September 8, 1998, your Board approved Contract No. 71937 with the Watts Labor Community Action Committee for the operation and management of the Hahn's Trolley and Shuttle Service to provide fixed-route transit service to eligible patrons of the unincorporated area of Willowbrook. The Contract was for an initial three-year period with two 1-year renewal options beginning October 1, 1998. On September 9, 2003, Synopsis 32, your Board approved an extension of this Contract for up to six months starting October 1, 2003, to allow Public Works to complete the solicitation process for a replacement Contract.

Proposals were received; however, all proposals were rejected. Therefore, on March 16, 2004, Synopsis 48, your Board approved an extension of this Contract for up to nine months from April 1, 2004, to December 31, 2004.

Public Works conducted community meetings and revised the scope of work to expand the Service by adding a fourth route. Due to the extensive community input in this Service, on December 7, 2004, Synopsis 33, your Board approved an extension of this Contract for an additional nine months from January 1, 2005, to September 30, 2005.

The process to add the new route into the revised scope of work has taken longer than anticipated. On September 6, 2005, Agenda Item 43, your Board approved an extension of this Contract for an additional nine months from October 1, 2005, to June 30, 2006. During the nine-month period, the proposed scope of work was further modified to specify that the contractor will be required to provide four themed trolleys and three shuttle vehicles for the new Service as the County-owned vehicles are scheduled to be taken out of service due to their age.

The scope of work has been completed and a new Request for Proposals is expected to be released by July 31, 2006. The purpose of this action is to continue this fixed-route transit service on a month-to-month basis, not to exceed 11 months beginning July 1, 2006. Nine months are needed while Public Works finalizes the solicitation process and

two months are needed to ensure a smooth transition if a new vendor is selected through the solicitation process. The two months will allow the new vendor to obtain vehicles and train their drivers in the operation of the Service.

The County is responsible for providing six vehicles for this Service. Due to the age of the current County-owned vehicles, it will be necessary to rent vehicles on an interim basis as on-going repairs are conducted or if vehicles are taken out of service. Twenty percent (20%) of the contingency is to allow for the anticipated vehicle rentals. Due to liability concerns, the vehicle renting companies indicated that they would only rent the vehicles directly to the company that would be operating and performing the regular maintenance of the vehicle. Therefore, the rental costs are being handled as a pass through cost with the contractor and there will be no surcharge. Accordingly, the contingency for the rental vehicles does not impact the cost-effectiveness of the Service, since the rental cost would be the same whether this Service was provided through a contractor or provided by County personnel. The remaining ten percent (10%) of the contingency is for unanticipated service costs, if any.

Filing of this Board letter was delayed due to the necessity of negotiating the cost of the Service with the contractor, in which we were able to hold the hourly service rate at the rate in the prior contract.

Implementation of Strategic Plan Goals

This action is consistent with the County Strategic Plan Goals of Organizational Effectiveness and Service Excellence. This Amendment will continue to utilize the current contractor's expertise to effectively provide this transit service in a timely and responsive manner. This Service improves the mobility of transit dependant patrons.

FISCAL IMPACT/FINANCING

The Contract extension is on a month-to-month basis for a period not to exceed 11 months, beginning July 1, 2006, at an estimated cost of \$847,000. The monthly cost for the Hahn's Trolley and Shuttle Service is estimated to be \$77,000, plus an additional 20 percent (20%) for bus rental fees when County-owned vehicles are out of service for extended periods of time and ten percent (10%) for unanticipated service costs, if any. The necessary funds are available in the Second Supervisorial District's Proposition A Local Return Transit Program, included in the proposed Fiscal Year 2006-07 Transit Enterprise Fund Budget. There will be no impact to the County's General Fund.

Public Works has reviewed the amended contract cost in accordance with a methodology approved by the Auditor-Controller and has determined that this Contract, as proposed to be amended, to be cost-effective.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Amendment No. 7 will extend the term length on the contract; contains Board-adopted or revised policies on contract terms regarding contractor responsibility and debarment, mergers/acquisitions/assignments, nonpayment for services received after expiration or termination of contract, who may order work, and responsibility in monitoring contract expenditures. All other terms, conditions, requirements, and specifications of the original contract, as previously amended, shall remain in effect.

ENVIRONMENTAL DOCUMENTATION

On September 4, 2001, Synopsis 72, your Board found the Hahn's Trolley and Shuttle Service to be statutorily exempt from the California Environmental Quality Act pursuant to Public Resources Code Section 21080 (b) (10).

IMPACT ON CURRENT SERVICES (OR PROJECTS)

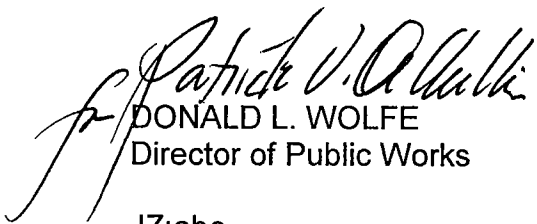
The extension of this Contract will not affect County personnel and provides for the continuation of the current Service.

The Honorable Board of Supervisors
June 1, 2006
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CONCLUSION

Enclosed are two copies of the Amendment. Upon approval, please return the Contactor Execute copy to Public Works, along with two adopted copies of this letter. The original Board Execute copy of the Amendment should be retained for your files.

Respectfully submitted,



DONALD L. WOLFE
Director of Public Works

JZ:abc

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Enc.

cc: Chief Administrative Office
County Counsel

SEVENTH AMENDMENT TO
CONTRACT NO. 71937

This SEVENTH AMENDMENT to CONTRACT NO. 71937, made and entered into this _____ day of _____, 2006, by and between the COUNTY OF LOS ANGELES, a political subdivision of the State of California, (hereinafter referred to as COUNTY) and the WATTS LABOR COMMUNITY ACTION COMMITTEE a nonprofit corporation (hereinafter referred to as CONTRACTOR).

WITNESSETH

WHEREAS, on September 8, 1998, COUNTY and CONTRACTOR entered into CONTRACT NO. 71937 to provide fixed-route transit service for eligible patrons of the unincorporated area of Willowbrook (hereinafter referred to as SERVICE); and

WHEREAS, the SIXTH AMENDMENT to CONTRACT NO. 71937 expires on June 30, 2006; and

WHEREAS, COUNTY and CONTRACTOR agree that it is in the public interest to continue to provide SERVICE; and

WHEREAS, since the SIXTH AMENDMENT was entered into, the COUNTY has adopted or revised policies on Contractor mergers, acquisitions and assignments, Contractor responsibility and debarment, limitation on payments, who may order work, Contractor responsibility in monitoring contract expenditures, and on no payment for services following the expiration or termination of a Contract; and

WHEREAS, COUNTY and CONTRACTOR mutually desire to further extend CONTRACT NO. 71937 on a month-to-month basis, not to exceed eleven (11) months, for the Hahn's Trolley and Shuttle Service beginning July 1, 2006, while COUNTY completes the solicitation process.

NOW, THEREFORE, in consideration of the mutual benefits to be derived by COUNTY and CONTRACTOR and of the promises herein contained, it is hereby agreed as follows:

FIRST: The term of CONTRACT NO. 71937 is hereby extended on a month-to-month basis, not to exceed eleven (11) months, beginning on July 1, 2006, and not to extend past May 31, 2007. CONTRACTOR shall provide continuous SERVICE from month to month, commencing on July 1, 2006, up to the maximum period of eleven (11) months, through and including May 31, 2007, unless the COUNTY provides written notice of nonrenewal at least ten (10) days before the last day of any month, in which case this CONTRACT shall expire as of midnight of the last day of that month.

SECOND: Amend Section 20.C.1 on page 33, RENEGOTIATION AND TERMINATION BY COUNTY, to read as follows:

The CONTRACTOR shall not assign its rights or delegate its duties under this CONTRACT, whether in whole or in part, without the prior written consent of the COUNTY, in its discretion, and any attempted assignment or delegation without such consent shall be null and void. For purposes of this paragraph, COUNTY consent shall require a written amendment to this CONTRACT, which is formally approved and executed by the parties. Any payments by COUNTY to any approved delegate or assignee on any claim under this CONTRACT shall be deductible, at COUNTY'S sole discretion, against the claims that the CONTRACTOR may have against the COUNTY.

Shareholders, partners, members, or other equity holders of the CONTRACTOR may transfer, sell, exchange, assign, or divest themselves of any interest they may have therein. However, in the event any such sale, transfer, exchange, assignment, or divestment is effected in such a way as to give majority control of the CONTRACTOR to any person(s), corporation, partnership, or legal entity other than the majority controlling interest therein at the time of execution of this CONTRACT, such disposition is an assignment requiring the prior written consent of the COUNTY in accordance with applicable provisions of this CONTRACT.

Any assumption, assignment, delegation, or takeover of any of the CONTRACTOR'S duties, responsibilities, obligations, or performance of same by any entity other than the CONTRACTOR, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without the COUNTY'S express prior written approval, shall be a material breach of this CONTRACT, which may result in the termination of this CONTRACT. In the event of such termination, COUNTY shall be entitled to pursue the same remedies against the CONTRACTOR as it could pursue in the event of default of the CONTRACTOR.

THIRD: Add Section 44, CONTRACTOR RESPONSIBILITY AND DEBARMENT, to read as follows:

The CONTRACTOR is hereby notified that, in accordance with Chapter 2.202 of the Los Angeles County Code, if the COUNTY acquires information concerning the performance of the CONTRACTOR on this or other contracts, which indicates that the CONTRACTOR is not responsible, the COUNTY may, in addition to other remedies provided in the CONTRACT, debar the CONTRACTOR from bidding or proposing on, being awarded, and/or performing work on COUNTY contracts for a specified period of time, which generally will not exceed five years but may exceed five years or be permanent if warranted by the circumstances, and terminate any or all existing contracts the CONTRACTOR may have with the COUNTY.

The COUNTY may debar a CONTRACTOR if the Board finds, in its discretion, that the CONTRACTOR has done any of the following: (1) violated any term of a contract with the COUNTY or a nonprofit corporation created by the COUNTY; (2) committed any act or omission that negatively reflects on the CONTRACTOR'S quality, fitness, or capacity

to perform a contract with the COUNTY, any other public entity, a nonprofit corporation created by the COUNTY, or engaged in a pattern or practice that negatively reflects on same; (3) committed an act or offense, which indicates a lack of business integrity or business honesty; or (4) made or submitted a false claim against the COUNTY or any other public entity.

If there is evidence that the CONTRACTOR may be subject to debarment, Public Works will notify the CONTRACTOR in writing of the evidence, which is the basis for the proposed debarment, and will advise the CONTRACTOR of the scheduled date for a debarment hearing before the Contractor Hearing Board.

The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The CONTRACTOR and/or the CONTRACTOR'S representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board will prepare a proposed decision, which shall contain a recommendation regarding whether the CONTRACTOR should be debarred and, if so, the appropriate length of time of the debarment. The CONTRACTOR and Public Works shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board.

After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision, and any other recommendation of the Contractor Hearing Board shall be presented to the Board. The Board shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

If a CONTRACTOR has been debarred for a period longer than five years, that CONTRACTOR may, after the debarment has been in effect for at least five years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The COUNTY may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that the CONTRACTOR has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interests of the COUNTY.

The Contractor Hearing Board will consider a request for review of a debarment determination only where (1) the CONTRACTOR has been debarred for a period longer than five years; (2) the debarment has been in effect for at least five years; and (3) the request is in writing, states one or more of the grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedure as for a debarment hearing.

The Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The Contractor Hearing Board shall present its proposed decision and recommendation to the Board. The Board shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

These terms shall also apply to subcontractors of the CONTRACTOR.

FOURTH: Add Section 45, LIMITATION ON PAYMENTS, to read as follows:

In no event shall the aggregate total amount of compensation paid to the CONTRACTOR exceed the amount of compensation authorized by the Board. Such aggregate total amount is the Maximum Contract Sum.

FIFTH: Add Section 46, ONLY THE CONTRACT MANAGER MAY ORDER WORK, to read as follows:

The CONTRACTOR understands and agrees that only the designated Public Works Contract Manager is authorized to request or order work under this CONTRACT. The CONTRACTOR acknowledges that the designated Contract Manager is not authorized to request or order any work that would result in the CONTRACTOR earning an aggregate compensation in excess of the Maximum Contract Sum.

SIXTH: Add Section 47, PUBLIC WORKS CONTRACT MANAGER, to read as follows:

Public Works Contract Manager for the COUNTY will be Mr. John Zeigler of Programs Development Division, Transit Operations Section, who may be contacted at (626) 458-5914, e-mail address: jzeigler@ladpw.org, Monday through Thursday, 7:30 a.m. to 6:00 p.m. The Contract Manager is the only person authorized by Public Works to request work of the CONTRACTOR. From time to time, Public Works may change Contract Manager. The CONTRACTOR will be notified in writing when there is a change in a Contract Manager.

SEVENTH: Add Section 48, CONTRACTOR'S RESPONSIBILITY TO MONITOR EXPENDITURES, to read as follows:

CONTRACTOR shall not perform or accept work requests from the Contract Manager(s) or any other person that will cause the Maximum Contract Sum to be exceeded. CONTRACTOR shall monitor the balance of the Maximum Contract Sum. When the total of the CONTRACTOR'S paid invoices, invoices pending payment, invoices yet to be submitted, and services ordered reaches 75 percent of the Maximum Contract Sum, the CONTRACTOR shall immediately notify the Contract Manager in writing.

EIGHTH: Add Section 49, NO PAYMENT FOR SERVICES FOLLOWING EXPIRATION OR TERMINATION OF CONTRACT, to read as follows:

IN WITNESS WHEREOF, the COUNTY has, by order of its Board of Supervisors, caused these presents to be subscribed by the Mayor of said Board and the seal of said Board to be affixed and attested by the Clerk thereof, and the CONTRACTOR has subscribed its name by and through its duly authorized officers, as of the day, month, and year first written above.

COUNTY OF LOS ANGELES

By _____
Mayor, Los Angeles County

ATTEST:

SACHI A. HAMAI
Executive Officer of the
Board of Supervisors of
the County of Los Angeles

By _____
Deputy


APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.
County Counsel

By Paul T. Hanson
Deputy

WATTS LABOR COMMUNITY
ACTION COMMITTEE

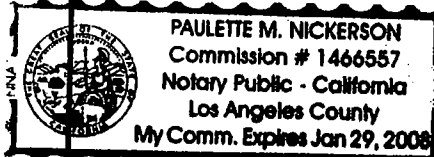
By 
Mr. Timothy Watkins, President

By 
Mr. Teddy Watkins, Secretary

COUNTY OF LOS ANGELES DEPARTMENT OF PUBLIC WORKS
ADMINISTRATIVE SERVICES DIVISION
ALL-PURPOSE ACKNOWLEDGMENT

State of California
County of Los Angeles
On 6/1/06 before me Paulette M. Nickerson
Notary Public NAME, TITLE OF OFFICE - e.g. "Jane Doe, Notary Public"
personally appeared Timothy Watkins and Teddy Watkins
NAME(S) OF SIGNER(S)

☒ personally know to me -OR- ☐ proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



Witness my hand and official seal.

Paulette M. Nickerson
SIGNATURE OF NOTARY

CAPACITY CLAIMED BY SIGNER(S)

☐ INDIVIDUAL(S)
☒ CORPORATE OFFICER(S)
CEO

Recording Secretary

☐ PARTNER(S) TITLE(S)
☐ ATTORNEY-IN-FACT
☐ TRUSTEE(S)
☐ GRARDIAN/CONSERVATOR
☐ OTHER:

SIGNER IS REPRESENTING:

NAME OF PERSON(S) OR ENTITY(IES)
Watts Labor Community
Action Committee (WLCAC)

ATTENTION NOTARY: Although the information requested below is OPTIONAL, it could prevent fraudulent attachment of this certificate to unauthorized document.

THIS CERTIFICATE
MUST BE ATTACHED
TO THE DOCUMENT
DESCRIBED AT RIGHT:

Title or Type of Document Seventh Amendment to Contract No. 7193

Number of Pages 6 Date of Document 6/1/06

Signer(s) Other Than Named Above n/a